



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

March 16, 2001

**S. 174**

**Microloan Program Improvement Act of 2001**

*As ordered reported by the Senate Committee on Small Business on February 28, 2001*

S. 174 would make certain changes to the microloan program operated by the Small Business Administration (SBA). Under the microloan program, the SBA provides grants, loans, and loan guarantees to nonprofit organizations, which use the funds to provide small businesses with technical assistance and loans. The bill would amend certain restrictions in current law on how the nonprofit organizations can spend the technical assistance grants they receive under the microloan program. Also, the bill would authorize the SBA to earmark up to \$1 million for subcontracts with national trade associations to offer peer counseling for the nonprofit organizations.

Based on information from the SBA, CBO expects that the bill would not have a significant effect on the amounts authorized for technical assistance grants under the microloan program or on the rate at which funds are spent. Therefore, we estimate that S. 174 would not have a significant impact on the federal budget. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply.

S. 174 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact is Ken Johnson. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.